

# 2012 Ohio County Property Tax Report with Comparison to 2011

Legislative Services Agency

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**This report describes property tax changes in Ohio County between 2011 and 2012.** In 2012 tax changes in each county were affected most by local factors, such as changes in assessed values, deductions, levies, credits, and tax rates. In 2012, for the first time in years, tax bill changes were not affected by statewide policy changes. The big 2008 tax reform was fully phased in by 2011. There were some statewide trends. The effects of the Great Recession lingered in many counties, depressing assessed value growth. Taxes in rural counties were affected by a large increase in farmland assessed values.

In Ohio County the average tax bill for all taxpayers increased 2.6%. This tax bill rise was mainly the result of a 2.7% increase in the tax levy of all local government units. Ohio County net assessed value increased 1.4%, mostly due to rising farmland and homestead assessments. A levy increase greater than net assessment growth caused tax rates to rise in all Ohio County tax districts, but Ohio County's tax rates are so low that few taxpayers were eligible for tax cap credits.

	Average Change in Tax Bill, All Property	Total Levy, All Units	Certified Net Assessed Value	Tax Cap Credits % of Levy
2012	2.6%	\$2,631,225	\$266,094,925	0.0%
Change		2.7%	1.4%	0.0%
2011	22.9%	\$2,561,152	\$262,328,237	0.0%

## Homestead Property Taxes

Homestead property taxes increased 0.6% on average in Ohio County in 2012. Tax rates in all Ohio County tax districts increased slightly, and the county average tax rate rose by 1.3%. Ohio County's tax rates were so low that no homesteads were eligible for tax cap credits in 2012. Ohio County had no local homestead credits in 2012.

### Comparable Homestead Property Tax Changes in Ohio County

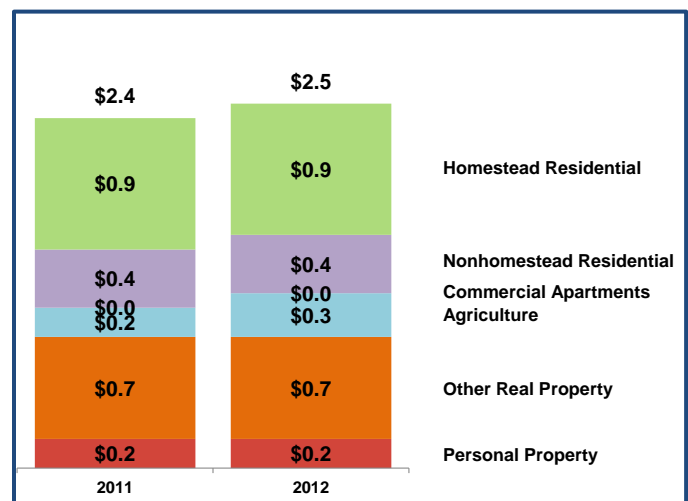
	2011 to 2012	
	Number of Homesteads	% Share of Total
<b>Summary Change in Tax Bill</b>		
Higher Tax Bill	1,140	66.2%
No Change	17	1.0%
Lower Tax Bill	565	32.8%
<b>Average Change in Tax Bill</b>	<b>0.6%</b>	
<b>Detailed Change in Tax Bill</b>		
20% or More	36	2.1%
10% to 19%	31	1.8%
1% to 9%	1,073	62.3%
0%	17	1.0%
-1% to -9%	475	27.6%
-10% to -19%	55	3.2%
-20% or More	35	2.0%
<b>Total</b>	<b>1,722</b>	<b>100.0%</b>

Note: Percentages may not total due to rounding.

## Net Tax Bill Changes - All Property Types

Most Ohio County 2012 net property taxes were paid by business owners on their land and buildings (other real) and business equipment (personal) and by homeowners. Net tax bills for all taxpayers increased 2.6% in Ohio County in 2012. Net taxes were slightly lower for homesteads and lower for commercial apartments. Net taxes were higher for agricultural property, nonhomestead residential property (mostly small rentals and second homes), and business real and personal property.

### Comparison of Net Property Tax by Property Type (In Millions)



## Tax Rates, Levies, and Assessed Values

Property tax rates increased in all five of Ohio County's tax districts. The average tax rate rose by 1.3%, because the levy increase was greater than the increase in net assessed value.

Levies in Ohio County increased by 2.7%. The largest levy increase was in the county unit, due to increases in its general fund. Rising Sun-Ohio County School Corporation experienced a small decrease in its capital projects fund.

Ohio County's total net assessed value increased 1.4% in 2012. Agricultural net assessments rose 6.4%. The large increase in agricultural assessed value was due to the 16% increase in the base rate assessment of farmland, from \$1,290 to \$1,500 per acre for taxes in 2012. Combined nonagricultural net assessments rose 0.8%. The decline in business real and personal property may be a lingering effect of the Great Recession.

Property Type	Gross AV 2011	Gross AV 2012	Gross AV Change	Net AV 2011	Net AV 2012	Net AV Change
Homesteads	\$237,215,494	\$237,036,500	-0.1%	\$103,411,426	\$106,048,883	2.6%
Other Residential	43,191,200	43,374,400	0.4%	42,996,920	43,074,770	0.2%
Ag Business/Land	28,109,900	30,156,300	7.3%	28,039,040	29,834,080	6.4%
Business Real/Personal	99,922,696	98,857,783	-1.1%	88,645,796	87,782,267	-1.0%
<b>Total</b>	<b>\$408,439,290</b>	<b>\$409,424,983</b>	<b>0.2%</b>	<b>\$263,093,182</b>	<b>\$266,740,000</b>	<b>1.4%</b>

Net AV equals Gross AV less deductions and exemptions · Tax rates are calculated on Net AV · Circuit breaker tax caps are calculated on Gross AV

## Tax Cap (Circuit Breaker) Credits

Property taxes are capped at 1% of gross assessed value for homesteads, 2% for other residential property (including rental housing and second homes) and farmland, and 3% for business land, buildings, and equipment. Taxpayers receive credits when their tax bills exceed the caps. Credits are revenue lost to local governments.

Total tax cap credits in Ohio County were \$854, which rounded to 0% of the levy. This was among the lowest rates in the state. Tax rates are the main determinant of tax cap credits, and Ohio County's tax rates also were among the lowest in the state.

All of Ohio County's tax cap credits were in the elderly category, which limits the tax bill increases of older homeowners to 2% per year. No units of government lost more than 0.1% of their levies to the tax cap credits, and none lost more than \$400.

## Tax Cap Credits by Category

Tax cap credits decreased slightly in Ohio County in 2012 by \$197, or 18.8%. The percentage of the levy lost to credits was unchanged at near zero. There were no major changes in state policy to affect tax cap credits in 2012.

Tax Cap Category	2011	2012	Difference	% Change
1%	\$0	\$0	\$0	0.0%
2%	0	0	0	0.0%
3%	0	0	0	0.0%
Elderly	1,051	854	-197	-18.8%
<b>Total</b>	<b>\$1,051</b>	<b>\$854</b>	<b>-\$197</b>	<b>-18.8%</b>
<b>% of Levy</b>	<b>0.0%</b>	<b>0.0%</b>		<b>0.0%</b>

### Ohio County Levy Comparison by Taxing Unit

Taxing Unit	2008	2009	2010	2011	2012	% Change			
						2008 - 2009	2009 - 2010	2010 - 2011	2011 - 2012
<i>County Total</i>	4,609,901	2,584,629	2,116,753	2,561,152	2,631,225	-43.9%	-18.1%	21.0%	2.7%
State Unit	7,296	0	0	0	0	-100.0%			
Ohio County	1,272,178	1,113,837	766,364	942,807	992,800	-12.4%	-31.2%	23.0%	5.3%
Cass Township	12,629	12,893	12,885	13,162	13,827	2.1%	-0.1%	2.1%	5.1%
Pike Township	11,827	12,221	12,282	12,603	13,210	3.3%	0.5%	2.6%	4.8%
Randolph Township	32,925	34,018	33,716	34,231	36,006	3.3%	-0.9%	1.5%	5.2%
Union Township	4,950	5,158	5,267	5,355	5,606	4.2%	2.1%	1.7%	4.7%
Rising Sun Civil City	356,222	359,103	352,603	363,861	378,469	0.8%	-1.8%	3.2%	4.0%
Rising Sun-Ohio County Comm School Corp	2,789,368	921,555	806,767	1,060,593	1,057,461	-67.0%	-12.5%	31.5%	-0.3%
Ohio County Public Library	91,500	93,797	93,672	96,274	101,116	2.5%	-0.1%	2.8%	5.0%
Southeastern Indiana Solid Waste Mgmt	31,006	32,047	33,197	32,266	32,730	3.4%	3.6%	-2.8%	1.4%

### Ohio County 2012 Tax Rates, Credit Rates, and Net Tax Rates for Homesteads by Taxing District

Dist #	Taxing District	Tax Rate	Credit Rates						Net Tax Rate, Homesteads
			LOIT PTRC	COIT Homestead	CEDIT Homestead	CREDIT Residential	LOIT Homestead	LOIT Residential	
58001	Cass Township	0.8697	--	--	--	--	--	--	0.8697
58002	Pike Township	0.8800	--	--	--	--	--	--	0.8800
58003	Randolph Township	0.8513	--	--	--	--	--	--	0.8513
58004	Rising Sun City	1.1653	--	--	--	--	--	--	1.1653
58005	Union Township	0.8509	--	--	--	--	--	--	0.8509

Notes: A *Taxing District* is a geographic area of a county where taxing units overlap, so the sum of the taxing unit tax rates is the total district rate.

The *Tax Rate* is the gross levy divided by net assessed value, in dollars per \$100 assessed value.

The *LOIT*, *COIT*, and *CEDIT* credits are funded by local income taxes.

The *Net Tax Rate for Homesteads* is calculated by reducing the tax rate by the various credit percentages.

### Ohio County 2012 Circuit Breaker Cap Credits

Taxing Unit Name	Circuit Breaker Credits by Property Type					Total	Levy	Circuit Breaker as % of Levy
	(1%) Homesteads	(2%) Other Residential and Farmland	(3%) All Other Real/Personal	Elderly				
<i>Non-TIF Total</i>	0	0	0	854		854	2,631,225	0.0%
<i>TIF Total</i>	0	0	0	0		0	0	
<i>County Total</i>	0	0	0	854		854	2,631,225	0.0%
Ohio County	0	0	0	311		311	992,800	0.0%
Cass Township	0	0	0	1		1	13,827	0.0%
Pike Township	0	0	0	10		10	13,210	0.1%
Randolph Township	0	0	0	10		10	36,006	0.0%
Union Township	0	0	0	0		0	5,606	0.0%
Rising Sun Civil City	0	0	0	147		147	378,469	0.0%
Rising Sun-Ohio County Comm School Corp	0	0	0	332		332	1,057,461	0.0%
Ohio County Public Library	0	0	0	32		32	101,116	0.0%
Southeastern Indiana Solid Waste Mgmt	0	0	0	10		10	32,730	0.0%

Notes: Circuit breaker tax cap credits are tax savings for taxpayers and revenue losses for local government units. Circuit breaker credits are highest in tax districts with the highest tax rates. These are usually districts that include cities or towns because the municipal tax rate is included in the district tax rate. This means that most circuit breaker credits are in cities and towns and in units that overlap cities and towns.

Circuit Breaker Credit Types:

*Homesteads* are owner-occupied primary residences and include homestead land and buildings in the 1% tax cap category. Owner-occupied mobile homes and agricultural homesteads are included in this category. This category only includes credits on the portion of the property that qualifies as a homestead.

*Other Residential/Farmland* includes small rental housing units, larger commercial apartments, second homes, long-term care facilities, and farmland, in the 2% tax cap category.

*All Other Real/Personal* is commercial, industrial, and utility land and buildings, and business equipment, including agricultural equipment, in the 3% tax cap category. This category also includes credits on the portion of homeowner properties that do not qualify as a homestead.

*Elderly* includes credits for the 2% annual limit on homestead tax bill increases for low-income homeowners, age 65 and over. The *Total Levy by Unit* is gross property taxes levied, before all tax credits. For TIF districts, this amount represents the TIF proceeds before circuit breaker credits. This information is included to allow comparison to the circuit breaker revenue losses.

Numbers may not total due to rounding.